

To Members of the California State Assembly:

I am returning Assembly Bill 1362 without my signature.

I have a strong respect for our State firefighters and for the hard work and sacrifices they perform daily to protect California and its citizens from harm. Nevertheless, I have been entrusted by the people of California to be prudent regarding our State's fiscal condition.

This bill requires the State and Members of Bargaining Unit 8 that are employed by the Department of Forestry and Fire Protection to enter into binding arbitration when negotiations have reached an impasse over economic issues. The third party arbitrator would have authority to mandate cost increases without any regard to revenue sources or streams, and without any accountability to taxpayers.

This bill would effectively require the Governor and the Legislature to surrender control of budget impacts to an outside arbitrator. This bill also removes the State's ability to manage the contract negotiation process with their employees and increases costs at a time when the State is recovering from a fiscal crisis.

This bill would eliminate any leverage the State has at the bargaining table to complete negotiation and reach agreement. With binding interest arbitration in effect, the parties would necessarily bargain solely to "position" for arbitration rather than to reach agreement. There would be no incentive whatsoever for the exclusive representative to attempt to reach agreement.

For these reasons, I cannot sign this bill.

Sincerely,

Arnold Schwarzenegger